

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

Southern California Edison Company's (U 338-E)
Application for Approval of Advanced Metering
Infrastructure Deployment Strategy and Cost
Recovery Mechanism.

Application 05-03-026
(Filed March 30, 2005)

**ADMINISTRATIVE LAW JUDGE'S RULING
SCHEDULING A PREHEARING CONFERENCE
AND OTHER PROCEDURAL MATTERS**

On March 30, 2005, Southern California Edison Company (SCE) filed an application seeking authorization of its advanced metering infrastructure (AMI) deployment strategy and associated cost recovery mechanisms.¹ SCE recommends that instead of pursuing an off the shelf technology, it be authorized to engage in a research, development, and demonstration project to develop an Advanced Integrated Meter (AIM). SCE seeks \$31 million in ratepayer funding for this 18-month project. At the end of the project, SCE will assess whether to file an application for full-scale implementation of its AIM. Under this schedule, SCE would not commence large scale meter installation until three or more years after approval of this application is obtained, if the AIM project is successful. SCE requests a decision on its application by September 8, 2005.

¹ AMI consists of both metering and communications infrastructure.

I have scheduled a prehearing conference to take place on Wednesday, July 13, 2005, for this case. At the prehearing conference, I intend to address the scope of the proceeding, schedule, and any other procedural matters necessary for the expeditious processing of the case.

Based on my preliminary review of the application and associated testimony, my preliminary recommendation about the scope of the case is as follows:

1. Should SCE's ratepayers fund a research and development project to develop an Advanced Integrated Meter?
 - Do the expected benefits of AIM outweigh the costs and so improve SCE's business case cost-effectiveness showing that ratepayers should fund the project?
 - As a utility, does SCE have a unique advantage to develop AIM compared to a private interest?
2. Should the scope of SCE's proposed project be adopted or modified?
3. If the Commission decides that ratepayers should fund a project, how much ratepayer funding is appropriate?
4. If ratepayer funding for SCE's project is approved, should SCE's proposed ratemaking treatment be adopted or modified?
5. If approved, how should future benefits of the project be allocated?

At the prehearing conference, parties should be prepared to discuss whether the scope is broader than I suggest above and whether additional testimony from SCE is necessary before testimony is served by other parties.

Parties should come prepared to discuss scheduling for service of testimony and evidentiary hearings, including potential witness availability.

Therefore, **IT IS RULED** that:

1. A prehearing conference is scheduled for Wednesday, July 13, 2005, at the Commission headquarters in San Francisco, California.

2. At the July 13, 2005 prehearing conference, parties should be prepared to discuss the scope of the proceeding, schedule, and any other procedural matters necessary for the expeditious processing of the case.

Dated July 1, 2005, at San Francisco, California.

/s/ MICHELLE COOKE

Michelle Cooke

Administrative Law Judge

CERTIFICATE OF SERVICE

I certify that I have by mail, and a courtesy copy by electronic mail to the parties to which an electronic mail address has been provided under Rulemaking 02-06-001, this day served a true copy of the original attached Administrative Law Judge's Ruling Scheduling a Prehearing Conference and Other Procedural Matters on all parties of record in this proceeding or their attorneys of record.

Dated July 1, 2005, at San Francisco, California.

/s/ FANNIE SID

Fannie Sid

N O T I C E

Parties should notify the Process Office, Public Utilities Commission, 505 Van Ness Avenue, Room 2000, San Francisco, CA 94102, of any change of address to insure that they continue to receive documents. You must indicate the proceeding number on the service list on which your name appears.

The Commission's policy is to schedule hearings (meetings, workshops, etc.) in locations that are accessible to people with disabilities. To verify that a particular location is accessible, call: Calendar Clerk (415) 703-1203.

If specialized accommodations for the disabled are needed, e.g., sign language interpreters, those making the arrangements must call the Public Advisor at (415) 703-2074,

A.05-03-026 MLC/sid

TTY 1-866-836-7825 or (415) 703-5282 at least three working days in advance of the event.